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Organizational matters

Report of the first regular session 2007 (23 to 26 January 2007, New York)

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I. Organizational matters

1. The first regular session 2007 of the Executive Board of UNDP and UNFPA was held at United Nations Headquarters, New York, from 23 to 26 January.

2. The Executive Board elected the following members of the Bureau for 2007:

President: H.E. Mr. Carsten Staur	(Denmark)
Vice-President: Ms. Fernande Afiavi Houngbedji	(Benin)
Vice-President: H.E. Mr. Iftekhar Ahmed Chowdhury	(Bangladesh)
Vice-President: Mr. José Briz Gutiérrez	(Guatemala)
Vice-President: Mr. Andriy Nikitov	(Ukraine)

3. Upon his election, the new President made an introductory statement that was posted on the web site of the Executive Board secretariat at www.undp.org/execbrd.

4. At the session, the Executive Board approved the agenda and work plan for its first regular session 2007 (DP/2007/L.1) and the report of the second regular session 2006 (DP/2007/1). The Executive Board reviewed the tentative annual work plan 2007 (DP/2007/CRP.1) and the tentative work plan for the annual session 2007, and agreed to finalize both documents following further discussions.

5. Decisions adopted by the Executive Board in 2006 appeared in document DP/2007/2, while decisions adopted at the first regular session 2007 were included in document DP/2007/16, which is available on the web site of the Executive Board secretariat at www.undp.org/execbrd.

6. The Executive Board agreed in decision 2007/12 to the following schedule of future sessions of the Executive Board in 2007:

Annual session 2007:	11 to 22 June 2007
Second regular session 2007:	10 to 14 September 2007.

Statement by the Administrator

7. The Administrator highlighted priority areas for UNDP in its efforts to help United Nations reform as well as achieve the Millennium Development Goals (MDGs). He emphasized accountability and transparency, risk management and organizational restructuring for greater efficiency and results delivery. He stressed the importance of auditing as a way to continue reaching for the highest standards of accountability, further bolstered by the independent audit board and the adoption of the International Public Sector Accounting Standards (IPSAS).

8. He underscored the synergistic role of resident coordinators in the context of ongoing reforms; reiterated that space remained for the unique mandates and roles of United Nations agencies, funds and programmes; clarified the roles of resident coordinators and country directors; and distinguished between his role and that of the Associate Administrator, who was largely responsible for day-to-day operations.

9. Noting the growing inequalities in wealth distribution, the Administrator introduced the concept of 'economic institution building' as a spur to growth that would benefit a wider cross-section of a given society. Cautioning that there was no 'one-size-fits-all' model, he reaffirmed the commitment of UNDP to continue

pressing for gender equality, parity and mainstreaming and sustainable environmental protection and development. He noted the tremendous potential of microfinance and South-South cooperation in national capacity development efforts.

8. Delegations thanked the Administrator for his clear, detailed introduction and encouraged UNDP to maximize use of its structures and competencies to streamline United Nations efforts toward coherence and coordination. They concurred with the focus of the Administrator in continuing to work toward strengthening national ownership, national capacity-building and technical capacity – all key development drivers.

9. In the context of 'One United Nations' pilots, ongoing UNDP work in enhancing the resident coordinator system and removing overlap and redundancies was also appreciated; many delegations asked that work proceed in the area of regional and subregional teams as well. Delegations called for continuing decentralization to achieve greater organizational flexibility and to help UNDP focus more concretely on local priorities and national capacity-building. In support of that goal, they recommended pooling resources and common budgetary frameworks to help ensure relevant local development initiatives.

10. Delegations expressed the need to ensure UNDP had a secure and stable source of core funding from which it could continue to provide services to programmatic countries. They requested that UNDP strengthen partnerships with Bretton Woods institutions such as the World Bank, and with other United Nations system organizations, such as the United Nations Volunteers programme; wider cooperation would help UNDP foster greater harmonization, reinforce operational activities and maximize resources to deliver on-the-ground impact.

11. Several delegations reiterated that deliberations on UNDP operational activities should take place in the context of the triennial comprehensive policy review framework, and emphasized how this would help guide UNDP in its reform leadership. Those same delegations reminded UNDP that its contributions to reform and system coordination are inherently tied to achieving nationally developed targets and the MDGs.

12. Delegations strongly encouraged continued efforts by UNDP to promote gender equality and empowerment, adding that previous work had lacked focus and the needed human and financial resources. More needed to be done in UNDP operational and policy areas, and delegations requested closer collaboration between UNDP and other United Nations organizations – such as the United Nations Development Fund for Women (UNIFEM) – to foster greater harmonization.

13. In discussing the UNDP strategic plan, delegations were generally pleased with its conceptual approach but stressed that the plan should provide a clearer outline of programme choices, delivery, reporting, costing and investments, as well as efficiency gains and accountability. These should be linked to benchmarks to help gauge results. If that approach was adopted, delegations felt that the strategic plan would help bolster the credibility of UNDP and its work.

14. In his response, the Administrator thanked the Executive Board for its comments and reassured members that UNDP would press forward. In developing the strategic plan, continued feedback would be necessary. He suggested that the biggest challenges moving forward revolved around making growth inclusive and

promoting sound economic governance; grassroots development and distribution of productivity and capacity must drive this process.

II. UNDP strategic plan, 2008-2011

15. The UNDP strategic plan outline (DP/2007/CRP.2) was presented by the UNDP Associate Administrator. Delegations noted that the UNDP strategic plan, 2008-2011, was intended to replace the outgoing multi-year funding framework (MYFF) budgetary mechanism.

16. Recognizing the universal, neutral and flexible character of the strategic plan, and its contribution towards results-based budgeting, delegations welcomed the plan but asked for a more goal-oriented format. Some suggested using a logical framework approach, while others recommended a coherent format harmonized with those of other organizations, such as the United Nations Children's Fund (UNICEF) and UNFPA. Delegations discouraged UNDP from providing focus area results by citing anecdotal examples of programmes.

17. Many delegations felt that the strategic plan should use South-South cooperation, national ownership, gender mainstreaming, human security and community-based development as key strategic pillars. Two delegations pointed out that the strategic plan must not be seen simply as a funding framework but rather as a holistic document. It should be configured with reasonable targets and straightforward oversight mechanisms, allowing the Board to conduct its own monitoring, evaluation and analysis of costs and benefits. Enhanced monitoring and reporting at the country level and better integration of a human rights-based approach were also requested.

18. A few delegations asked that the 'lessons learned' from the MYFF be fully considered in developing and finalizing the new plan, while some asked UNDP to consider reverting to indicators and service lines from the MYFF, which they felt gave a clearer idea of actual UNDP activities. Noting how closely the 2011 expiry date of the strategic plan coincided with the 2015 MDG targets, and bearing in mind that planning would already have started on post-2015 goals by that time, one delegation suggested the strategic plan should have built-in flexibility to take post-2015 goals into consideration as a part of the activities under the MDGs focus area.

19. A number of delegations felt that, in the interest of continued alignment and transparency, UNDP should use the terminology of the Development Assistance Committee of the Organisation for Economic Co-operation and Development in its strategic plan.

19. The concept of UNDP working more closely with the United Nations Environment Programme was welcomed by many delegations, although they asked for additional details as to the nature and scope of the cooperation. Delegations also called for continued strategies to bring wider United Nations system coherence in areas of gender. In that regard, they signalled, UNDP should work closely with UNFPA, UNIFEM and UNICEF.

20. All delegations requested continued consultations to help tighten the 'concreteness' of the strategic plan and better understand the specifics of UNDP interventions in areas such as environment, poverty reduction and inclusive growth.

They felt that this would help allay concerns of overlap with other organizations, highlight UNDP comparative advantages and keep the organization focused on its mandate.

21. The Associate Administrator took note of the positive comments on the strategic plan, acknowledging that more work needed to be done to sharpen the focus in areas where UNDP can contribute substantively to development. He assured the Board that far from being ignored, lessons learned from the previous MYFF would form the foundation for organizational options and choices moving forward. He pledged to add a gender dimension to the strategic plan results areas, and reiterated the importance of South-South cooperation in UNDP work.

22. The Executive Board adopted decision 2007/2 on the annotated outline of the UNDP strategic plan, 2008-2011.

III. Assessment of programming arrangements, 2004-2007

23. The Director, Bureau of Management, presented the assessment of programming arrangements (DP/2007/8), highlighting the convergence of the strategic plan, programming arrangements and the biennial support budget. Moving forward, key priorities would include: streamline and simplify programme arrangements; use core resources to generate maximum impact; and continue with the reform agenda.

24. Executive Board members took note of the assessment of programming arrangements and commended UNDP in harmonizing the strategic results framework with the revised programming arrangements and the biennial support budget.

25. Delegations felt that UNDP should continue its work in middle-income countries, but not at the cost of reducing resources for low-income countries. They agreed that core resource allocation should favour least developed and low-income countries. Delegations reminded the organization that it should work toward a human rights-based approach in its programmatic work.

26. One delegation recognized UNDP efforts to address challenges in four key areas, but asked whether these areas had been correctly identified. Other delegations asked that country distribution methodology regarding target for resource assignment from the core (TRAC) 1.1.1 be maintained. New criteria should be cautiously addressed and studied, taking into consideration their possible impact on achieving overall TRAC objectives.

27. One delegation felt that the TRAC 1.1.2 allocation framework and its relationship with TRAC 1.1.1 needed further evaluation. Since regional/global programmes and TRAC 1.1.3 were not covered in DP/2007/8, the delegation asked that assessment and consultations be provided before the annual session 2007.

28. The Executive Board took note of the assessment report on programming arrangements, 2004-2007, in its decision 2007/3.

IV. Country programmes and related matters

29. In introducing the item, the President reiterated that, in accordance with decision 2001/11, country programmes would be approved at each first regular session in January on a no-objection basis, without presentation or discussion, unless at least five Board members had informed the secretariat in writing before the meeting of their wish to bring a particular country programme before the Executive Board.

30. The Executive Board approved, on a no-objection basis, the country programmes for Algeria, Belize, Brazil, Central African Republic, Chile, Croatia, Dominican Republic, Egypt, El Salvador, Eritrea, Ethiopia, Gabon, Gambia, Guinea, Honduras, Jamaica, Lao People's Democratic Republic, Mongolia, Morocco, Mozambique, Panama, Paraguay, Republic of Moldova, Republic of Montenegro, Sao Tome and Principe, Saudi Arabia, Senegal, Seychelles, Somalia, South Africa, Syrian Arab Republic, Tanzania, Thailand, Tunisia, Uruguay, Yemen, Zambia and Zimbabwe.

31. Several delegations expressed satisfaction with the approval of their respective country programmes, and looked forward to continued partnerships with UNDP in national capacity-building and human development. Delegations cited the increased use of cross-cutting approaches and opportunities for national capacity-building in their programmes. One delegation thanked UNDP for its help in designing a violence control programme in response to gang violence in its country. Another thanked UNDP for helping its country transition towards a market economy, pledging to continue striving to achieve the MDGs and the country programme goals in a timely manner.

32. Another delegation mentioned key areas where UNDP assistance and guidance had produced positive results, namely: human rights, women's rights and the revision of family, labour and criminal codes. Democratic development, eradication of poverty and sustainable development were listed as key issues to be tackled with UNDP support.

Democratic People's Republic of Korea

33. Following extensive consultations with Executive Board members, the Associate Administrator outlined steps towards a resolution and approval for the country programme for the Democratic People's Republic of Korea. These included: a full external audit of the country programme by the Board of Auditors within three months; adjustment of the content and modalities of implementation of the new programme; maintenance of total resource allocation at $17.9 million; extension of the implementation of the 2005-2006 country programme under direct execution; an end to all hard-currency payments by 1 March 2007; oversight of projects during the transition period through onsite inspections, starting immediately; and control of acquisitions and use of project equipment. The full text of the Associate Administrator's statement follows:

With regard to the country programme for the Democratic People's Republic of Korea, allow me to make a few remarks.

Following extensive consultations with members of the Executive Board on the country programme, we would like to suggest a way forward to address the concerns that have been raised. Let me emphasize that UNDP, as a general rule and

practice, only can and will operate country programmes as requested and approved by the Executive Board. It is in this context that the following submission to the Executive Board should be understood as an outcome of consultations. It is intended to be an approach that is in the collective interests of all to ensure that ongoing activities and new activities continue to meet the standards that UNDP would like to see everywhere in the world, recognizing situations where we have to work in very complex circumstances.

With your support, the way forward for the work of UNDP in the DPRK would be based on the following intended steps, to be taken under the Administrator's authority:

(a) Conduct an external audit of the DPRK country programme to be completed by the Board of Auditors within a three-month time frame, as per the Secretary-General's proposal of 22 January 2007. The review will be conducted in compliance with international standards of auditing and within the provisions of Article VII of the United Nations financial regulations governing activities of the Board of Auditors;

(b) Adjust the content and modalities of implementation of the new programme (2007-2009), confined to supporting sustainable human development objectives, while maintaining the total resource envelope at $17.91 million;

(c) The Executive Board will take action on the new programme at such time as the adjustments required under paragraphs 1 and 2 have been made;

(d) With all implementation under DEX and/or agency execution modality, extend implementation of remaining parts of projects under the 2005-2006 country programme to support sustainable human development objectives;

(e) Ensure implementation, by 1 March, 2007 at the latest, of measures to:

(i) End all payments in hard currency to government, national partners, local staff and local vendors;

(ii) Discontinue sub-contracting of national staff via government recruitment; and

(f) Within the existing monitoring policy, further implementation of a monitoring and evaluation plan to ensure oversight of projects, including ensuring that on-site inspections take place without delays during the transition period, and controls on the acquisition and use of project equipment.

Thank you for your consideration.

34. The President of the Board reiterated that extensive consultations had taken place between delegations and the Administrator in elaborating the way forward. He explained that, in accordance with decision 2006/36, once the required adjustments to the country programme had been made, the revised country programme document would be posted on the Executive Board website for Board approval on a 'silent procedure' basis. The no-objection period would last six weeks. The full text of his statement follows:

It is my understanding that wide consultations have taken place with regard to the elaboration by the Administrator of the proposal on how to take this forward.

I would like to clarify my understanding of how we will now proceed. As soon as the required adjustments have been made, UNDP will submit the revised country programme document for approval by the Board on a silent procedure basis by placing it on the Executive Board website, in accordance with the procedure

contained in decision 2006/36. The no-objection period will be six weeks in duration.

I take it that the Board would wish to support the approach taken by the Administrator and in this respect takes note of the Administrator's statement.

Thank you very much. I would now, as President of the Board, like to express my deep appreciation to the Administrator for the leadership and action which he has taken and to confirm that in taking this approach the Administrator has the full support of the Board.

Let me also take this opportunity to sincerely thank all members of the Board for the constructive spirit in which we have been able to reach an agreement.

My statement will be recorded in full in the report of this session.

35. No objections were raised to the way forward proposed by the President.

36. The President expressed deep appreciation for the leadership provided by the Administrator and confirmed that, in taking the approach outlined, he enjoyed the full support of the Board. The President thanked delegations for the constructive spirit in which the agreement had been reached.

37. In the ensuing discussions, one delegation called for continued monitoring of country programmes to ensure that UNDP remained meaningful, accountable and 'for the people' at the country level, continuing to focus on humanitarian and development needs and remain responsible for transparency and accountability in accordance with international standards.

38. Another delegation reiterated that Member States are committed to abide by the Charter of the United Nations. Countries not complying with Security Council resolutions are in violation of their obligations and should not receive United Nations funds, particularly for programmes with strong economic and social development features aimed at supporting the government. Assistance to such countries should be of a humanitarian nature, and delivered directly to the people in need.

39. Other delegations cautioned against the Board's becoming partisan, and voiced strong support for a neutral, non-political forum. Delegations opposed the manipulation and politicization of the operational activities and discussions of the Board, arguing that these undermined the work of UNDP.

40. One observer delegation asked why the Board was caught up in 'miserly interests' when there were pressing issues to address, such as achieving the MDGs and having more countries pledge 0.7 per cent of their gross domestic product to development activities. That delegation expressed concern about the potentially negative precedent being set by reopening the debate on the country programme of the Democratic People's Republic of Korea.

41. Several delegations reaffirmed the universality, neutrality and demand-driven nature of country programmes, and underscored the importance of national ownership. They stated that Member States should refrain from politicizing the work of the Executive Board.

42. The delegation from the Democratic People's Republic of Korea objected to reopening the discussion of its country programme. It reiterated that the country programme document had been formulated on the basis of the United Nations strategic framework through governmental-United Nations consultations and had

been received with positive consideration at the second regular session 2006. The delegation stressed that it would reject assistance tied to political conditions, and agreed to the measures introduced by UNDP as a way to resolve the situation and avoid setting a negative precedent.

V. Evaluation

43. Delegations thanked the Director, Evaluation Office for introducing evaluations on: UNDP assistance to conflict-affected countries (DP/2007/3); the National Human Development Report system (DP/2007/5); and the joint assessment on the cooperation agreement between the United Nations Industrial Development Organization (UNIDO) and UNDP and the joint UNDP-UNIDO management response (DP/2007/7). They also thanked the Associate Administrator for the management responses to UNDP assistance to conflict-affected countries (DP/2007/4) and the National Human Development Report system (DP/2007/6).

44. Regarding the evaluations of the National Human Development Report system and the joint assessment agreement between UNIDO and UNDP, most Executive Board members welcomed the reports and agreed with the recommendations outlined. Delegations expressed support for the management response to fulfilling evaluation recommendations, adding that the reports should be used in ongoing dialogue for human development, strengthening national ownership of the report and working to preserve the quality of reporting. Members were supportive of building a stronger relationship between UNDP and UNIDO.

45. Delegations expressed continued support for the important dual responsibility of UNDP as leader in early-recovery situations and coordinator of development activities. However, many Board members felt that the recommendations on UNDP assistance to conflict-affected countries were outside the mandate of the organization, and that discussions at the Economic and Social Council and the General Assembly would be required before they could be implemented.

46. Those delegations expressed concern that management had begun acting on evaluation outcomes before approval, particularly in the context of lack of intergovernmental discussions on the UNDP strategic plan. They requested withdrawal of the two reports, and expressed concern that the evaluation report and management response appeared to be building a new framework based on non-agreed-upon concepts and building structural linkages with other organizations with different mandates. They felt that the evaluation and the response needed further study and that a decision would be inappropriate at this point. They asked that UNDP continue to foster development competencies while refraining from engagement in the political aspects of conflict. They requested that UNDP review its management response to the evaluation in the light of views expressed by Member States, and present a revised response for consideration by the Board at its annual session 2007, subsequent to further briefings and informal consultations.

47. The Executive Board adopted decision 2007/4 on the evaluation of UNDP assistance to conflict-affected countries; 2007/5 on the evaluation of the National Human Development Report system; and 2007/6 on the joint assessment of the progress in the implementation of the cooperation agreement between UNIDO and UNDP.

VI. Gender in UNDP

48. The Associate Administrator introduced two documents to be discussed under this agenda item: the 2006 progress report on the implementation of the gender action plan (DP/2007/9) and the follow-up to the report of Administrator on the organizational assessment of UNIFEM (DP/2007/10). He highlighted the comprehensive gender activities of UNDP in 2006; introduced the recently-appointed Director of the UNDP gender team; and highlighted the memorandum of understanding with UNIFEM to guide joint programming and capitalize on UNIFEM expertise and knowledge.

49. Executive Board members thanked the Associate Administrator for outlining progress in the area of gender. They confirmed it as a key 'development driver', recognized UNDP efforts to implement its gender action plan and establish its gender steering and implementation committee, and reaffirmed that more work remained to be done.

50. Many delegations asked UNDP to enhance the tracking, monitoring and reporting of concrete gender results linked to achieving the MDGs. Those delegations felt that UNDP must continue to strengthen the ability of United Nations country teams (UNCTs) to integrate gender-related results into programming.

51. Delegations requested further information on joint exercises between UNDP and UNIFEM and on coherence and comparative advantages. Many thought UNDP should better maximize the technical contributions of UNIFEM at the country level – whether the organization was resident in a given country or not.

52. Several delegations asked UNDP to provide a more detailed outline of the human and financial resources required to implement the gender action plan. Those delegations noted that work on gender equality issues required people and budget, and that while the initial $10 million allocated in 2006 was a good start, new and meaningful investments would accelerate progress. Those delegations would be reviewing the amount budgeted as an indication of the priority accorded to gender by UNDP.

53. One delegation reiterated the importance of ensuring that gender issues not be seen as 'add-ons' to the strategic plan, but as a core element, with measurable results. In that light, UNDP must do a better job analysing and communicating achievements and results.

54. The Executive Board adopted decision 2007/7 on the annual progress report of the Administrator on implementation of the gender action plan and follow-up to the report of the Administrator on the organizational assessment of UNIFEM.

VII. United Nations Capital Development Fund

55. The Associate Administrator of UNDP and the Executive Director of the United Nations Capital Development Fund (UNCDF) opened the session with a brief overview of the strategic agreement between UNDP and UNCDF (DP/2007/11).

56. Delegations were pleased with the rapid progress of the organization in connection with resources, function and structure in the context of United Nations reform. They underlined the important role that UNCDF plays on the ground in least developed countries (LDCs), noting with appreciation that the presentation made by the Executive Director showed that a results-based approach was not just theoretical.

57. Many delegations stressed that, while discussion on complementary strengths and strategic partnerships in the context of the evolving UNDP strategic plan was important, the independence of UNCDF must not be threatened. They added that UNCDF demonstrably provided unique, efficient and effective services to LDCs.

58. Some delegations expressed appreciation for the integration of local development and microfinance practice areas into the key results of the UNDP strategic plan, and encouraged increased harmonization in evaluation, monitoring and reporting practices. One delegation called for strengthening of UNCDF core resources, suggesting that current levels are unsatisfactory and could impede the fulfilment of its mandate. In that regard, UNCDF should further diversify its funding base.

59. One delegation cautioned against implementing the recommendations of the High-level Panel prematurely. Others asked to see continued capitalization by UNDP and UNCDF of comparative advantages, knowledge sharing and joint programming for effective results and to create an enabling environment for sustained economic growth.

60. The Executive Board adopted decision 2007/8 on the strategic partnership between UNDP and UNCDF.

VIII. United Nations Office for Project Services

61. Delegations thanked the Executive Director, United Nations Office for Project Services (UNOPS) for his presentation of the report on the financial, administrative and operational situation (DP/2007/12) of the organization. They reiterated their support for UNOPS in finding long-term solutions to its financial issues and the challenges facing the organization.

62. Delegations welcomed the news of a small operational reserve, and generally supported UNOPS-proposed changes to the reporting schedule. They requested regular information in that regard, possibly at each Board session.

63. Bearing in mind the experiences acquired and lessons learned from the UNOPS 'housecleaning,' one delegation asked UNOPS to review its business processes and work toward implementing standard operating procedures to streamline inter-fund operations with UNDP. That delegation asked UNOPS to strengthen the capabilities of developing countries in project management and procurement.

64. Several delegations expressed concern over the level of the operational reserve, noting that for four years it has been below the threshold requested in decision 2001/14. Many supported the ongoing study of a merger proposal between UNOPS and the Inter-Agency Procurement Service. They saw it as beneficial to UNDP, UNOPS and the wider United Nations system, and asked for additional information

on: who is undertaking the study; reporting schedule and terms of reference; and risks and financial implications emerging from the study.

65. The Executive Board adopted decision 2007/9 on the report on the financial and operational situation of UNOPS.

Joint UNDP/UNFPA segment

IX. Financial, budgetary and administrative matters

66. On behalf of UNDP and UNFPA, the Deputy Executive Director (External Relations, United Nations Affairs and Management), UNFPA, introduced the joint report on the implementation of the International Public Sector Accounting Standards (DP/2007/13-DP/FPA/2007/4).

67. There were no interventions by delegations under the agenda items on Financial, budgetary and administrative matters.

68. The Executive Board adopted decision 2007/10: Joint UNDP and UNFPA report on the implementation of the international public sector accounting standards and reports on the implementation of the recommendations of the Board of Auditors, 2004-2005 (UNDP and UNFPA).

X. Recommendations of the Board of Auditors

United Nations Development Programme

69. Delegations thanked the Associate Administrator for introducing the UNDP report on the implementation of the recommendations of the Board of Auditors 2004-2005 (DP/2007/14), recognizing that it was the first audit of the organization since the implementation of Atlas.

70. Several delegations requested follow-up on control and fraud prevention mechanisms, noting that accountability must be a top management priority. They recognized the complexity of the present environment and encouraged UNDP to move quickly to ensure sound financial due-diligence practices. They appreciated the support accorded by UNDP to rigorous staff certification and skills upgrading, which they cited as key to establishing solid common financial practices.

71. With respect to Atlas, several delegations recognized its capacity to track planned expenditures, inform high-level management decisions, and function as a strategic planning tool. Two delegations asked for a special status report on Atlas outlining the remaining problems and corrective measures UNDP is taking.

72. Those delegations noted that missing audit reports are problematic, since reference is then made to incomplete reporting from national authorities. Since country offices are spread around the globe and not all offices can deliver timely reports, the delegations felt that better 'safety nets' should be in place to compensate, permitting more accurate follow-up and monitoring.

73. Several delegations emphasized that full, timely implementation of audit recommendations was a key management responsibility. They requested access to internal audit reports as a way of enhancing transparency and accountability, and urged the organization to work on areas that put its assets at risk due to fraud, waste, or mismanagement. One delegation outlined what it considered priority interventions for UNDP: untimely bank reconciliations; unfunded liabilities; internal control weaknesses in Atlas; weak financial controls over nationally-executed projects; weak procurement practices; and low audit coverage of country offices and headquarters, particularly with respect to financial records, procedures and controls. The delegation stressed the need for sufficient funding to the UNDP Office of Audit and Performance Review.

74. The delegation highlighted the fact that the United Nations is now providing access to Member States to the reports of the Office of Internal Oversight Services (OIOS). The delegation called upon UNDP and UNFPA to follow this trend and make available to Executive Board members all reports of their internal audit offices. In response, the Associate Administrator stated that it was the intention of UNDP to share these reports with Board members. Several delegations asked for enhanced interaction at the annual session on audit and risk management issues. They requested discussions with the external audit committee on internal audit reports and, in future, increased interaction between the Executive Board and the Board of Auditors.

75. The Executive Board adopted decision 2007/10 on the joint UNDP and UNFPA reports on the implementation of the recommendations of the Board of Auditors, 2004-2005 (UNDP and UNFPA).

United Nations Population Fund

76. The Deputy Executive Director (External Relations, United Nations Affairs and Management), UNFPA, introduced the UNFPA report on follow-up to the report of the United Nations Board of Auditors for 2004-2005: Status of the implementation of recommendations (DP/FPA/2007/1). She noted that supplementary information had been provided and an updated table (attached to her statement) had been circulated providing information on the current status of implementation of recommendations, as of 24 January 2007.

77. Delegations noted that in general the UNFPA response to implementing the recommendations of the Board of Auditors had been satisfactory. They noted that UNFPA had sound financial management and acceptable control mechanisms. They welcomed the steps taken to further improve control mechanisms and fraud prevention and encouraged continued efforts to make accountability a top priority and to strengthen the Fund's risk management and accountability systems. They noted a specific concern regarding projects implemented by governmental and non-governmental partners, namely, that the Board of Auditors had noted that a number of reports had not been made available and that a significant number of qualifications were noted on the reports that had been made available. Delegations were pleased to note that UNFPA had established a task force to deal with national execution issues. They appreciated the information given regarding measures that would be taken to strengthen capacity-building and improve accountability and transparency. They were interested in knowing what was being done to safeguard controls and procedures at the country level, including ensuring compliance by

implementing partners. While observing that not all country offices could be expected to deliver fully on results at all times, they suggested having safety nets in place to compensate.

78. In view of the high priority accorded to results-based management, delegations underscored the need for all country offices and units at headquarters to comply with annual reporting requirements. They also stressed the importance of country offices providing reports for specific projects undertaken with earmarked donor funding and urged UNFPA headquarters to intervene to ensure compliance. Some delegations expressed a desire to have more interaction at Executive Board sessions on audit and risk management issues, including holding a discussion with the Audit Advisory Committee at the annual session 2007. They also expressed the wish to have an interaction with the United Nations Board of Auditors. Some delegations requested that the report of the United Nations Board of Auditors be posted on the UNFPA website soon after it becomes available in July or August. Two delegations asked that internal audit reports be made available.

79. The Deputy Executive Director, UNFPA, thanked the delegations for their constructive comments. She noted that some of the information requested was contained in the updated table that had been circulated. Concerning the comments regarding national execution, she emphasized that to safeguard controls, UNFPA was promoting capacity-building for staff in the country offices as well as for national counterparts. She noted that the harmonized approach to cash transfer was very important and that UNFPA was making an extra effort to utilize that modality. She added that UNFPA was working to ensure that audit guidelines were clear and easy to use. She agreed that timely reporting to donors was very important and noted that UNFPA was developing an online report generation and tracking system to enhance compliance with reporting requirements. Regarding country office annual reporting, she stated that vigorous follow-up was under way and managers would be held accountable for compliance. The Deputy Executive Director reiterated the Fund's commitment to national execution and assured the Executive Board that internal management controls were in place as UNFPA moved forward.

80. The Director, Division for Oversight Services, UNFPA, stated that UNFPA based its audit and risk management on a risk model. He noted that in the private or para-public sectors internal audit reports were internal documents and were not communicated to shareholders. They were disclosed to the auditee, senior management and the audit committee, and sometimes to the Board. Many public supreme audit entities published an annual consolidated report, as was the case in the United Nations. UNFPA adhered to the professional standards and to the code of ethics of the Institute of Internal Auditors. The code prescribed that "internal auditors respect the value and ownership of information they receive and do not disclose information without appropriate authority unless there is a legal or professional obligation to do so". In that regard, UNFPA followed the policy agreed upon by the Chief Executives Board for Coordination, chaired by the Secretary-General. Thus, any change in the policy would have to be made at that level.

81. Concurring with the importance of transparency, he invited the Executive Board to go beyond the issue of confidentiality of internal audit reports and consider, instead, the question of assurance. In the case of UNFPA, assurance was the process through which the auditors expressed a conclusion designed to enhance the degree of confidence the Executive Board had in the quality of governance in UNFPA.

Assurance was therefore the cornerstone of trust. He stated that for the past two years, the UNFPA Executive Director had been working to enhance the reliability of assurance provided to the Board. There were three levels of interlinked assurance: (a) the annual report of the Executive Director on internal audit and oversight activities; (b) the report by the United Nations Board of Auditors; and (c) the assurance provided by the independent Audit Advisory Committee. (He noted that the Chair of the committee was currently present in the room). In UNFPA the conditions were met by the terms of reference of the Audit Advisory Committee and by the charter of internal auditing, and by the right and duty to access the President of the Executive Board should any serious risk arise.

82. The Executive Board adopted decision 2007/10: Joint UNDP and UNFPA report on the implementation of the international public sector accounting standards and reports on the implementation of the recommendations of the Board of Auditors, 2004-2005 (UNDP and UNFPA).

XI. Report to the Economic and Social Council

83. On behalf of UNDP and UNFPA, the Assistant Administrator, Bureau for Resources and Strategic Partnerships, introduced the joint report to the Economic and Social Council (E/2007/5).

84. Delegations were pleased that the report demonstrated the efforts and results achieved by UNDP and UNFPA to achieve greater harmonization and coordination, for example in the field of information technology and knowledge sharing. They were especially impressed by the joint UNDP and UNFPA section providing analysis on the implementation of the recommendations of the triennial comprehensive policy review.

85. Delegations appreciated the efforts to further strengthen the resident coordinator system and to adjust United Nations activities at the country level to national development priorities and to align them to the national programme cycles. They called for enhanced participation of specialized agencies as well as non-resident agencies in United Nations country teams and welcomed the improved guidelines and training on the common country assessments and the United Nations Development Assistance Frameworks.

United Nations Development Programme

86. Delegations appreciated the improved guidelines and training on the common country assessment and the United Nations Development Assistance Framework, which they felt helped to strengthen the United Nations at the country level and improved the coherence of its operational activities. They recognized efforts to reinforce and optimize the resident coordinator system to better align United Nations activities to national development priorities and national programme cycles.

87. One delegation stressed the need for continued South-South cooperation, commending UNDP in building relations with the World Bank and working to mobilize international support for national efforts.

United Nations Population Fund

88. Delegations appreciated UNFPA efforts to assist developing countries and countries with economies in transition to achieve the Millennium Development Goals. They noted with interest the capacity-building tools on gender budgeting for reproductive rights developed by UNFPA in collaboration with UNIFEM, and wondered if the tools had been evaluated. They were pleased to note the expansion of UNFPA activities in such important areas as protection of the interests of and advancement of women, combating trafficking in persons, and HIV/AIDS prevention. They asked why information on UNFPA efforts in the areas of emergency preparedness and humanitarian response had not been included in the report. They welcomed the support UNFPA provided to interested programme countries in the area of population policies, including increasing access of young people to sexual and reproductive health services.

89. The Director, Technical Support Division, UNFPA, thanked the delegations for their constructive comments. He stated that UNFPA placed great emphasis on capacity-building in the area of gender, including supporting training to address gender-based violence, including sexual violence. He noted that the gender budgeting tools were still in the process of being introduced and an evaluation would be carried out at a later stage. Regarding UNFPA work in the areas of emergency preparedness and humanitarian response, he noted that it had been reported on earlier in session under the agenda item on UNFPA role in emergency preparedness, humanitarian response and transition and recovery.

90. The Executive Board took note of the Joint report to the Economic and Social Council (E/2007/5).

UNFPA segment

Statement by the Executive Director

91. The UNFPA segment began with the opening statement of the Executive Director (the full statement is posted on the web site http://www.unfpa.org/exbrd/2007/2007_first.htm). The Executive Director underscored that in a time of change for the United Nations, UNFPA was ready for change. She focused on her vision of UNFPA continuing to lead in assisting countries in implementing the agenda of the International Conference on Population and Development (ICPD) and working with programme countries and other development partners to achieve greater impact. She highlighted elements of the Fund's emerging strategic plan, 2008-2011. She indicated how UNFPA planned to take full advantage of the opportunities created by United Nations reform and the new aid environment to achieve its core goals.

92. She underlined the centrality of reproductive health to achieving the MDGs. She underscored that UNFPA was working to ensure that the right to sexual and reproductive health and access to services was guaranteed in laws and policies, fully integrated in development and humanitarian plans and budgets, and made real through strengthened health systems. She noted that UNFPA was working to mainstream gender in all the work it did with development and humanitarian partners.

93. The Executive Director updated the Executive Board on the Fund's financial situation in 2006: total core income was approximately $362 million and non-core was close to $160 million. She highly appreciated that a total of 180 countries had provided financial contributions to UNFPA, including all countries from sub-Saharan Africa and Latin America and the Caribbean. She conveyed special thanks to the Fund's top ten donors: The Netherlands, Sweden, Norway, United Kingdom, Japan, Denmark, Germany, Finland, Canada and Switzerland. She also thanked all the other donors. The Executive Director highlighted new initiatives within UNFPA to enhance accountability to ensure that UNFPA resources were spent well.

94. Delegations applauded the Executive Director and praised the statement for being inspiring and comprehensive. They expressed strong support and appreciation for the work of UNFPA and were pleased to note the increase in resources during 2006, as well as the expansion of the Fund's donor base. Several delegations, including Netherlands, Spain and Sweden, announced increases in their contributions to UNFPA. Delegations commended UNFPA for its work and efforts being in line with the triennial comprehensive policy review and the Paris Declaration, and for its commitment to national ownership and leadership. They appreciated the active role played by UNFPA in the United Nations Development Group (UNDG). They commended the Fund's strong commitment to and engagement in United Nations reform, including the Executive Director's role as chair of the High-Level Committee on Management. They were confident that UNFPA would continue to play a constructive role in the endeavours to achieve system-wide coherence. They welcomed the Fund's work to promote a clear division of labour across the United Nations system to catalyse greater progress on maternal and child health. Delegations applauded the Executive Director's emphasis on accountability and oversight, strong auditing capacity and sound financial management. Delegations highlighted the critical importance of the ICPD agenda for achieving the MDGs and winning the fight against poverty. Some delegations welcomed the proposed new reproductive health target under MDG 5. The commitment of the Executive Director and of UNFPA to implementing Security Council resolution 1325 on women, peace and security was appreciated and delegations hoped that there would be a coherent action plan to implement the resolution with a clear division of labour among the concerned agencies and organizations. Delegations thanked UNFPA for its support to the African Union's special session on reproductive health and welcomed the Maputo Plan of Action 2007-2010.

95. Delegations pointed out that with regard to joint programmes and the 'One UN' pilot studies that were being undertaken, UNFPA had a strong and indispensable role in ensuring that the ICPD agenda was an integral part of the operational activities of the United Nations. They hoped that the pilot studies would yield concrete, measurable results in the area of reproductive health and rights, and also identify the benefits and limitations of 'One UN' programmes. They urged UNFPA to play a strong role in the United Nations country teams. They called on Member States to constructively guide UNFPA in its efforts to adapt and respond to the new aid environment and noted the need to strengthen UNFPA at several levels, including its financial base. They observed that a people-centred, community-based, bottom-up approach, which was an important element of human security, should be a pervading principle of United Nations reform. The need to consolidate the work on

humanitarian reform, including the cluster-lead approach was stressed. It was noted that UNFPA had a vital role in emergency preparedness and humanitarian response.

96. Delegations welcomed the decision to postpone consideration of the item on regionalization and were pleased to note that it would be part of the Fund's strategic plan 2008-2011. They supported the points raised by the Advisory Committee on Administrative and Budgetary Questions (ACABQ) and looked forward to seeing regionalization further harmonized with the Fund's strategic plan and aligned with other United Nations agencies. Noting the initiative under way to strengthen and streamline United Nations technical support through regional hubs, it was observed that there should be a unified approach to the regional and subregional structure, including co-location of subregional entities. Delegations stressed the need to ensure country ownership and hoped that regionalization would not result in increased bureaucracy or costs.

97. Delegations welcomed the draft strategic plan outline and looked forward to having a series of informal consultations as UNFPA moved forward in shaping the plan. They noted that it was not possible to work on reproductive health without working on gender equality and women's empowerment. They were pleased to note the inclusion of gender in the strategic plan, both as a specific goal and as a cross-cutting programme principle. The need to increase capacity-building on gender throughout the organization was emphasized. It was stressed that the work with young people and adolescents should have a prominent place in the strategic plan. Delegations underscored that the strategic plan should be used as a results-based management and resource allocation tool. The relationship between results and resource allocation should be informed by a strong accountability framework, including improved monitoring and reporting systems with results measured by clear outcome indicators. Delegations encouraged UNFPA to continue working with UNDP on a harmonized approach to their respective strategic plans, reflecting the lessons learned from the previous multi-year funding frameworks.

98. Delegations stated that they highly valued the Fund's contribution to HIV/AIDS prevention and its crucial role in the Global Task Team on Improving AIDS Coordination (GTT). Referring to the joint United Nations programming on HIV/AIDS, one delegation asked what incentives had been created to motivate agencies towards more unified programming; how would performance on that be measured; and what had been the progress in removing practical barriers to unified programming at country level. The delegation stated that it would be reviewing its financing criteria so that only unified programmes on HIV/AIDS, that supported country-led responses, would be funded. Regarding the Global Programme to enhance reproductive health commodity security, it was acknowledged that UNFPA had a leading advocacy role in the capacity development of countries to incorporate sexual and reproductive health into their development agendas and health budgets. The cooperation of UNFPA in the Reproductive Health Supplies Coalition, an international partnership chaired by Germany and the Netherlands, was also noted.

99. Delegations commended UNFPA commitment to results-based management and programming and to taking a strategic approach to improving results and visibility. Observing that evaluation and assessment of programming at the country level was highly important, they underscored the need for close involvement of the concerned programme country in developing indicators and instruments for

monitoring and evaluation. The need to continue promoting South-South cooperation was also emphasized.

100. The delegation of Japan, and numerous other delegations, gave high praise to Mr. Waki, the outgoing UNFPA Deputy Executive Director (Programme), for his excellent work in the field of development and the strong leadership and service that he had provided.

101. The Executive Director thanked the delegations for their constructive and supportive comments. Concerning regionalization, the Executive Director noted that the postponement would allow UNFPA to address the concerns raised by the Member States and the ACABQ. She stated that any change in the organizational structure would be an expression of the strategic plan: the strategic plan would articulate how the regional structure would equip UNFPA to support its strategic goals in assisting countries in implementing the ICPD agenda, and in achieving programmatic outcomes by making the best use of available resources at country, regional and global levels. She assured the Executive Board that UNFPA would continue to engage with the other UNDG Executive Committee agencies on United Nations reform and on the issue of regional alignment and co-location. She agreed that regionalization was in line with United Nations reform and would not create an additional layer of bureaucracy. Regarding the UNFPA strategic plan, 2008-2011, she stated that there would be further discussion at the informal meeting later in the afternoon. In the meanwhile, she welcomed the support expressed for gender, and youth. She also concurred with the strategic importance of South-South cooperation.

102. The Executive Director underscored that United Nations reform was an opportunity to advance the ICPD agenda. Concerning the query regarding agency incentives and the division of labour among agencies on maternal and child health and HIV/AIDS, she pointed to the various measures for incentives and accountability of the United Nations country team, including the 360 degree performance assessments of the Resident Coordinators and country team members. She appreciated the comments from delegations commending the role of UNFPA in the area of HIV/AIDS prevention. She acknowledged the leadership role of the United Kingdom in the GTT process and underscored that UNFPA was firmly committed to implementing the GTT recommendations. The Fund had communicated the GTT recommendations to all UNFPA country offices and through a series of regional training programmes had strengthened the capacity of UNFPA Representatives and HIV focal points on GTT follow-up and the division of labour amongst agencies. Recognizing the importance of promoting a unified approach at country level, UNFPA had also encouraged and actively supported UNFPA Representatives to serve as chairs of United Nations theme groups and, where that had occurred, much progress had been achieved. She agreed that it was important to remove any remaining practical barriers to joint programming. In that regard, she welcomed the decision of one donor country to review its financial criteria so that only unified programmes would be supported. She observed that such funding decisions could help to bolster United Nations reform.

103. The Executive Director expressed appreciation for the leadership provided by the Netherlands and Germany to the Reproductive Health Supplies Coalition. Regarding the UNFPA Global Programme to enhance reproductive health commodity security, she noted that it had been developed in consultation with key partners and in line with the principles of national ownership and leadership, which

were also enshrined in the Paris Declaration. The Global Programme provided resources to build capacity in countries in reproductive health commodity security and logistics management. She noted that reproductive health commodity security was also a priority issue for the Maputo Plan of Action and UNFPA would continue working in that area with countries in Africa and in other regions.

104. Regarding Security Council resolution 1325 on women, peace and security, the Executive Director took special note of the statement by one delegation that it would seek to ensure that various elements of resolution 1325 took effect. She stressed that UNFPA was firmly committed to concrete and active implementation of the resolution. UNFPA had developed a strategy for gender mainstreaming in conflict and post-conflict situations, with a focus on reproductive health, HIV/AIDS, gender-based violence and trafficking. She highlighted that the work in response to resolution 1325 was being undertaken in close partnership and coordination with other agencies and actors. She added that capacity-building on gender was part of overall staff development at UNFPA. The Executive Director concluded by thanking the Executive Board for its guidance and support.

XII. Country programmes and related matters

105. The Executive Board approved 33 UNFPA-supported country programmes on a no-objection basis, without presentation or discussion, in accordance with decision 2001/11. The following programmes were approved, from Africa: Central African Republic, Eritrea, Ethiopia, Gabon, Gambia, Guinea, Mozambique, Sao Tome and Principe, Senegal, South Africa, United Republic of Tanzania, Zambia and Zimbabwe; from Arab States, Europe and Central Asia: Algeria, Egypt, Morocco, Republic of Moldova, Syrian Arab Republic, Tunisia and Yemen; from Asia and the Pacific: the Democratic People's Republic of Korea, Lao People's Democratic Republic, Mongolia, Myanmar and Thailand; and from Latin America and the Caribbean: Brazil, Dominican Republic, El Salvador, English- and Dutch-speaking Caribbean countries, Honduras, Panama, Paraguay and Uruguay.

106. Following the approval of the country programmes, the delegations of Antigua and Barbuda, Egypt, El Salvador, Panama, Republic of Moldova, Syrian Arab Republic and the United Republic of Tanzania took the floor to thank the Executive Board for approving the programmes and to express appreciation for UNFPA support and close collaboration in assisting the countries in achieving the goals of the International Conference on Population and Development and the Millennium Development Goals. The delegation of Japan commended UNFPA for making the utmost efforts to improve the quality of life of the people in the Democratic People's Republic of Korea. The delegation requested UNFPA to closely monitor the implementation of the programme to ensure that the maximum benefits were delivered to the neediest individuals, in particular women and youth. The delegation of the United States of America requested that a comprehensive audit of the programme be carried out in the Democratic People's Republic of Korea. The delegation underscored the importance of strict adherence to the United Nations rules and procedures, including rules relating to monitoring, evaluating and auditing implementation of projects. The delegation of the Democratic People's Republic of Korea emphasized that monitoring and evaluation were important processes of the

XIII. UNFPA role in emergency preparedness, humanitarian response and transition and recovery

107. The Chief of the Humanitarian Response Unit (HRU), UNFPA, provided an oral report on the Fund's humanitarian strategy, in accordance with decision 2006/35. She noted that supplemental information had been provided earlier to the Executive Board and was also posted on the UNFPA web site. The oral report focused on partnerships; monitoring and evaluation; funding mechanisms; and the integration of the humanitarian response strategy into the Fund's strategic plan and global and regional programmes.

108. Delegations appreciated UNFPA efforts in the area of emergency preparedness, humanitarian response and transition and recovery. They underscored the valuable work of UNFPA in protecting vulnerable groups, including women and children in conflict situations. They welcomed the Fund's strategy and the useful oral report. They requested additional information regarding the integration of the humanitarian strategy into the UNFPA strategic plan, 2008-2011. One delegation recommended staff capacity development and strengthening of monitoring and evaluation, including identification of robust indicators.

XIV. Other matters

109. The Executive Board held the following informal meetings:

UNDP. (a) Informal consultations on draft decisions; and (b) an informal briefing on parliamentary reform;

UNFPA. An informal consultation on the UNFPA strategic plan, 2008-2011, and other related matters. The Executive Board adopted decision 2007/11: Draft outline of the UNFPA strategic plan, 2008-2011.

United Nations DP/2007/16

Executive Board of the United Nations Development Programme and of the United Nations Population Fund

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Organizational matters

Decisions adopted by the Executive Board at its first regular session 2007 (19 to 26 January 2007)

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2007/1
Extension of eligibility for consecutive terms in the Bureau of the Executive Board

The Executive Board,

Taking note of rules 7.1 and 7.2 of the Rules of Procedure of the Executive Board, which provide, inter alia, that the Board, "taking into consideration the need to ensure equitable geographical representation", shall elect a Bureau consisting of a president and four vice-presidents "at its first regular session each year", and that "members of the Bureau shall be eligible for a second consecutive term";

Recognizing the need to facilitate the composition of the Bureau for 2007;

Decides to:

Waive, for 2007, on an exceptional basis and without setting a precedent for future years, rule 7.2 of the Rules of Procedure of the Executive Board.

24 January 2007

2007/2
Annotated outline of the UNDP strategic plan, 2008-2011

The Executive Board

1. *Recalls* its decision 2006/1 requesting the Administrator of UNDP to submit an annotated outline of the multi-year funding framework (MYFF), 2008-2011, to the Executive Board at its first regular session 2007, and a draft version of the MYFF, 2008-2011, to the Board at its annual session 2007;

2. *Takes note of* the information provided by the Administrator on the strategic plan, programming arrangements and biennial support budget and of the intention of UNDP to align these three instruments, commencing with the 2008-2011 planning period, *looks forward to* receiving further elaboration on this alignment during the process of preparing the strategic plan, and *encourages* the further development of goals, objectives, outcomes and indicators, to sharpen the focus of the vision and business of the UNDP strategic plan and to ensure proper evaluation, reporting of results, transparency and accountability;

3. *Requests* the Administrator, in preparing the draft strategic plan for the annual session, to take into account the comments of Member States;

4. *Requests* UNDP to reflect on lessons and challenges from implementing the current MYFF, 2004-2007, in the context of changes that may be proposed in the new strategic plan, as compared to the MYFF, especially in terms of the main focus areas, business practices and organizational structures;

5. *Takes note of* the timelines proposed by UNDP for the preparation of the strategic plan, 2008-2011, and *requests* the Administrator to consult widely with Member States and United Nations partner organizations;

6. Also requests the Administrator, as well as the Executive Secretary of UNCDF, the Executive Directors of the United Nations Development Fund for Women (UNIFEM) and the United Nations Office for Project Services (UNOPS), and the Executive Coordinator of the United Nations Volunteers programme (UNV), in planning and reporting, to harmonize terminology, definitions and formats, using United Nations Development Group-harmonized terminology as a basis wherever possible.

26 January 2007

2007/3
Assessment of programming arrangements, 2004-2007

The Executive Board

1. *Takes note of* the assessment of programming arrangements, 2004-2007 (DP/2007/8);

2. *Encourages* UNDP to identify and develop proposals for change that will be directly linked to and supportive of the implementation of the UNDP strategic plan, 2008-2011;

3. *Requests* UNDP to provide the Executive Board, at its annual session 2007, information explaining how the current programming arrangements function and a draft proposal for the successor programming arrangements;

4. *Also requests* UNDP, in preparing the successor programming arrangements, to seek further simplification, harmonization and improvement of the programming arrangements, taking into consideration existing legislation, the changes foreseen as part of the new strategic plan, 2008-2011, and best practices within the funds and programmes.

26 January 2007

2007/4
Evaluation of UNDP assistance to conflict-affected countries

The Executive Board,

Having considered the evaluation of UNDP assistance to conflict-affected countries (DP/2007/3) and the management response to that evaluation (DP/2007/4),

1. *Requests* UNDP to review its management response to the evaluation of UNDP assistance to conflict-affected countries as contained in DP/2007/4, taking into account the UNDP mandate and the views expressed by the Member States, and to present the revised response for the consideration of the Executive Board at its annual session 2007;

2. *Emphasizes* the need for UNDP to develop its activities within the framework of the conflict-affected countries' programmes;

3. *Requests* the Administrator to develop, in wide consultation with Member States, a strategic vision on assistance to conflict-affected countries complementing the elaboration of the new strategic plan, to be presented for the consideration of the Board at its annual session 2007;

4. *Stresses* the need for UNDP to work with United Nations organizations to increase awareness of the urgent need to integrate development considerations in peacebuilding in conflict-affected countries;

5. *Urges* dialogue and cooperation with the Bretton Woods Institutions, regional development banks and relevant regional organizations to strengthen UNDP efforts in assisting conflict-affected countries.

26 January 2007

2007/5
Evaluation of the national human development report system

The Executive Board

1. *Takes* note of the evaluation of national human development report system (DP/2007/5) and the management response to that evaluation (DP/2007/6);

2. *Requests* the Administrator to accord high priority to supporting the national human development report system, ensuring sufficient financial, human and technical resources for their regular production and follow-up;

3. *Urges* UNDP to clarify, where relevant, the relationship between national human development reports and other reports such as the Millennium Development Goal reports and poverty reduction strategy papers in order that they better complement each other;

4. *Stresses* the need for UNDP to continue to strengthen national statistical and analytical capacity to promote national ownership of national human development reports;

5. *Requests* UNDP to find ways to better draw upon national human development reports for the elaboration of the global Human Development Report;

6. *Requests* the Administrator to report on progress in implementing this decision in his annual report on evaluation at the first regular session 2008.

26 January 2007

2007/6
Joint assessment of the progress in the implementation of the cooperation agreement between UNIDO and UNDP

The Executive Board

1. *Takes note* of the joint assessment of the progress in the implementation of the cooperation agreement between UNIDO and UNDP, together with the joint management response (DP/2007/7);

2. *Requests* the Administrator to inform the Executive Board on the operational modalities for the future implementation of the agreement, including the financial, management, evaluation and monitoring issues, and in this regard, to explore the possibility of establishing a joint task force to examine these issues.

26 January 2007

2007/7
Annual progress report of the Administrator on the implementation of the gender action plan and the follow-up to the report of the Administrator on the organizational assessment of UNIFEM

The Executive Board

1. *Takes note* of the annual progress report of the Administrator on the implementation of the gender action plan (DP/2007/9) as requested in its decisions 2005/27 and, in particular, 2006/3;

2. *Also takes note* of the follow up to the report of the Administrator on the organizational assessment of UNIFEM (DP/2007/10) requested in its decision 2006/5;

3. *Notes* that UNDP and UNIFEM are engaged in further clarifying roles with a view, inter alia, to engaging in joint programming during 2007;

4. *Requests* UNDP and UNIFEM to establish closer inter-organizational collaboration to promote gender equality at the country level;

5. *Also requests* that the lessons learned from the first year of the gender action plan on, inter alia, the need to track results and the allocation of sufficient human and financial resources, be applied to the further implementation of the gender action plan as well as to the elaboration of the UNDP strategic plan, 2008-2011.

26 January 2007

2007/8
Strategic partnership between UNDP and UNCDF

The Executive Board

1. *Takes note of* the steps that the Administrator of UNDP and the Executive Secretary of UNCDF have taken to finalize the strategic agreement between UNDP and UNCDF;

2. *Also takes note* of the proposed partnership framework for UNDP and UNCDF (DP/2007/11);

3. *Requests* the Administrator of UNDP and the Executive Secretary of UNCDF to further develop this partnership, particularly with respect to the preparation of the UNDP strategic plan, 2008-2011, the programming arrangements and the biennial support budget, to aim for the achievement of the strategic and operational objectives presented in the report;

4. *Also requests* the Administrator and the Executive Secretary to continue their efforts to secure stable multi-year programme funding for UNCDF activities in the least developed countries;

5. *Further requests* the Administrator and the Executive Secretary to consult with the Executive Board on the strategic partnership and report progress at the annual session 2007.

26 January 2007

2007/9
Report on the financial and operational situation of UNOPS

The Executive Board

1. *Takes note of* the report on the financial and operational situation of United Nations Office for Project Services (UNOPS);

2. *Welcomes* the efforts by UNOPS to define a business strategy and to realign the structure and focus of UNOPS to meet the needs of the United Nations system and to promote the effectiveness and viability of the organization;

3. *Appreciates* the considerable effort undertaken by UNOPS to ensure the resubmission of proper financial statements in compliance with the Board deadline, and *requests* UNOPS to provide for review of the audited financial statements;

4. *Notes* the study being undertaken by the Administrator on the options for the potential merger between the Inter-Agency Procurement Services Office and UNOPS, and *encourages* UNDP to inform the Board of the outcome of the study at its annual session 2007;

5. *Decides* on the following regular schedule for submission by UNOPS to the Executive Board:

(a) First regular session: Biennial planning and budget framework (alternate years: 2008, 2010, and so forth);

(b) Annual session: Annual report, including financial results for prior year, and, as of 2008, a report on contributions to results;

(c) Second regular session: Audited financial statements (alternate years: 2008, 2010, and so forth) and UNOPS management response to internal audit, annually.

26 January 2007

2007/10
Joint UNDP and UNFPA report on the implementation of the international public sector accounting standards and reports on the implementation of the recommendations of the Board of Auditors, 2004-2005 (UNDP and UNFPA)

The Executive Board

1. *Takes note of* the reports of UNDP and UNFPA on the implementation of the recommendations of the Board of Auditors, 2004-2005 (DP/2007/14 and DP/FPA/2007/1) and of the reports of the United Nations Board of Auditors (A/61/5/Add.1 and A/61/5/Add. 7), and *requests* the Administrator of UNDP and the Executive Director of UNFPA to take rapid action to fully implement the audit recommendations within the prescribed time frame;

2. *Acknowledges* that this was the first report of the Board of Auditors conducted after the implementation of the Atlas system, and *requests* the Administrator and the Executive Director to accelerate the implementation of the audit recommendations concerning Atlas;

3. *Notes* the ongoing efforts to strengthen management and control systems, including risk management, ethical and professional conduct, and anti-fraud and anti-corruption measures, in accordance with Executive Board decision 2006/8;

4. *Takes note of* the efforts made by UNDP and UNFPA management to complete monthly bank reconciliations for country offices and headquarters units and to strengthen internal control, and *requests* that those efforts be intensified;

5. *Reiterates* its request to continue to mainstream risk management in UNDP and UNFPA business processes, and *encourages* both organizations to ensure that risk management is integrated into the framework of management accountability;

6. *Reaffirms* the need to promote, to the fullest extent possible, the use of national execution as a means to build national capacity, and therefore *requests* UNDP and UNFPA to inform the Executive Board of the measures they are taking to simplify the procedures associated with this mode of execution, and to propose safeguard measures to address the related recommendations in the reports of the Board of Auditors (A/61/5/Add.1 and A/61/5/Add. 7);

7. *Requests* the Administrator of UNDP to accelerate the strengthening of internal staff capacity through the professional certification programme as a longer-term approach to addressing underlying audit issues, in anticipation of the implementation of the international public sector accounting standards;

8. *Takes note that* the Administrator of UNDP is exploring alternative sustainable support structures for improving bank reconciliations, accounting and the implementation of Atlas, including, but not limited to, the implementation of shared subregional service centres, especially in regions where staff capacity is insufficient; and *requests* the Administrator to address this issue in consultation with other United Nations funds and programmes;

9. *Requests* the Administrator of UNDP and the Executive Director of UNFPA to build on progress achieved and to continue to implement the recommendations of the Board of Auditors in a timely fashion and *also requests* the Administrator of UNDP and the Executive Director of UNFPA to provide the Executive Board with a report at its first regular session 2008, which will include a management response to the issues emphasized by the Board of Auditors and an update on the main recommendations contained in documents A/61/5/Add.1 and A/61/5/Add. 7;

10. *Takes note of* the steps taken by the Administrator of UNDP and the Executive Director of UNFPA to work with UNICEF and other United Nations organizations to standardize their financial management in the context of the transition to the international public sector accounting standards; and *requests* the Administrator and the Executive Director to inform the Executive Board of their progress in that regard.

26 January 2007

2007/11
Draft outline of the UNFPA strategic plan, 2008-2011

The Executive Board

1. *Notes* the information provided by the UNFPA Executive Director on the draft outline of the UNFPA strategic plan, 2008-2011, and *also notes* the intention of the Executive Director to provide a draft strategic plan, 2008-2011, three weeks prior to the annual session 2007, for formal discussion;

2. *Notes also* the intention of the Executive Director to present the draft strategic plan, the draft global and regional programmes, the draft resource allocation system and the draft organizational structure in a comprehensive package at the annual session 2007, *looks forward to* receiving further elaboration on this

package during the process of preparing the strategic plan, and *encourages* the further development of goals, objectives, outcomes and indicators, to sharpen the focus of the vision and business of the UNFPA strategic plan and to ensure proper evaluation, reporting of results, transparency and accountability;

3. *Further notes* the timeline proposed by UNFPA for the preparation of its prospective strategic plan, and *requests* the Executive Director to consult widely with Member States and United Nations partner organizations;

4. *Requests* the Executive Director, in preparing the draft UNFPA strategic plan for the annual session 2007, to take into account the comments of Member States;

5. *Requests* UNFPA to reflect on lessons and challenges from implementing its current multi-year funding framework (MYFF), 2004-2007, in the context of changes that may be proposed in the new strategic plan, as compared to the MYFF, especially in terms of the main focus areas, business practices and organizational structures;

6. *Also requests* the Executive Director, in planning and reporting, to harmonize terminology, definitions and formats, using United Nations Development Group-harmonized terminology as a basis, wherever possible.

26 January 2007

2007/12
Overview of decisions adopted by the Executive Board at its first regular session 2007

The Executive Board

Recalls that during its first regular session 2007, it:

Item 1

Elected the following members of the Bureau for 2007:

President
H.E. Mr. Carsten Staur (Denmark)
Vice-President:
Ms. Fernande Afiavi Houngbedji (Benin)
Vice-President:
H.E. Mr. Iftekhar Ahmed Chowdhury (Bangladesh)
Vice-President:
Mr. José Briz Gutiérrez (Guatemala)
Vice-President:
Mr. Andriy Nikitov (Ukraine)

Adopted the agenda and work plan for its first regular session 2007 (DP/2007/L.1);
Approved the report of the second regular session 2006 (DP/2007/1);
Reviewed the annual work plan 2007 (DP/2007/CRP.1), and agreed to finalize it following further discussion;
Reviewed the tentative work plan for the annual session 2007, and agreed to finalize it following further discussion;

Agreed to the following schedule for the remaining sessions of the Executive Board in 2007:

Annual session 2007: 11-22 June 2007
Second regular session 2007: 10-14 September 2007

UNDP segment

Item 2
UNDP strategic plan, 2008-2011

Adopted decision 2007/2 of 26 January 2006 on the annotated outline of the UNDP strategic plan, 2008-2011.

Item 3
Programming arrangements

Adopted decision 2007/3 on the assessment of programming arrangements, 2004-2007.

Item 4
Country programmes and related matters

Approved the following country programmes:

Africa: Central African Republic, Eritrea, Ethiopia, Gabon, Gambia, Guinea, Mozambique, Sao Tome and Principe, Senegal, Seychelles, South Africa, United Republic of Tanzania, Zambia and Zimbabwe;

Arab States: Algeria, Egypt, Morocco, Saudi Arabia, Somalia, Syrian Arab Republic, Tunisia and Yemen;

Asia and the Pacific: Lao People's Democratic Republic, Mongolia and Thailand;

Europe and the Commonwealth of Independent States: Croatia, Republic of Moldova and the Republic of Montenegro;

Latin America and the Caribbean: Belize, Brazil, Chile, Dominican Republic, El Salvador, Honduras, Jamaica, Panama, Paraguay and Uruguay;

Agreed that UNDP would submit a revised country programme for the Democratic People's Republic of Korea, for approval by the Executive Board, as soon as the required adjustments had been made.

Item 5
Evaluation

Adopted decision 2007/4 of 26 January 2007 on the evaluation of UNDP assistance to conflict-affected countries;

Adopted decision 2007/5 of 26 January 2007 on the evaluation of the national human development report system;

Adopted decision 2007/6 of 26 January 2007 on the joint assessment of the progress in the implementation of the cooperation agreement between the United Nations Industrial Development Organization and UNDP.

Item 6
Gender in UNDP

Adopted decision 2007/7 of 26 January 2007 on the annual progress report of the Administrator on the implementation of the gender action plan and the follow-up to the report of the Administrator on the organizational assessment of UNIFEM.

Item 7
United Nations Capital Development Fund

Adopted decision 2007/8 of 26 January 20067 on the strategic partnership between UNDP and UNCDF.

Item 8
United Nations Office for Project Services

Adopted decision 2007/9 of 26 January 2007 on the report on the financial and operational situation of UNOPS.

Joint UNDP/UNFPA segment

Item 1
Organizational matters

Adopted decision 2007/1 of 26 January 2007 on the extension of eligibility for consecutive terms in the Bureau of the Executive Board.

Items 9, 12 and 13
Financial, budgetary and administrative matters and
Recommendations of the Board of Auditors

Adopted decision 2007/10 of 26 January 2007 on the joint UNDP and UNFPA report on the implementation of the international public sector accounting standards and reports on the implementation of the recommendations of the Board of Auditors, 2004-2005 (UNDP and UNFPA).

Item 14
Joint report to the Economic and Social Council

Took note of the joint report of the Administrator of UNDP and the Executive Director of UNFPA to the Economic and Social Council (E/2007/5).

UNFPA segment

Item 10
Country programmes and related matters

Approved the following country programmes:

Africa: Central African Republic, Eritrea, Ethiopia, Gabon, Gambia, Guinea, Mozambique, Sao Tome and Principe, Senegal, South Africa, United Republic of Tanzania, Zambia and Zimbabwe;

Arab States, Europe and Central Asia: Algeria, Egypt, Morocco, Republic of Moldova, Syrian Arab Republic, Tunisia and Yemen;

Asia and the Pacific: Democratic People's Republic of Korea, Lao People's Democratic Republic, Mongolia, Myanmar and Thailand;

Latin America and the Caribbean: Brazil, Dominican Republic, El Salvador, English- and Dutch-speaking Caribbean countries, Honduras, Panama, Paraguay and Uruguay.

Item 11
UNFPA role in emergency preparedness, humanitarian response, and transition and recovery

Heard an oral report on the UNFPA role in emergency preparedness, humanitarian response, and transition and recovery.

Item 15
Other matters

Held an informal consultation on the UNFPA strategic plan, 2008-2011, and other matters; adopted decision 2007/11 on the draft outline of the UNFPA strategic plan, 2008-2011.

Joint meeting

Held a joint meeting of the Executive Boards of UNDP/UNFPA, UNICEF and WFP on 19 and 22 January 2007, which addressed the following topics: (a) natural disaster preparedness; (b) MDG-1: interlinked approaches to poverty alleviation; (c) United Nations reform; and (d) gender dimensions of HIV/AIDS.

26 January 2007

TENTATIVE WORK PLAN
EXECUTIVE BOARD OF UNDP/UNFPA
ANNUAL SESSION 2007
(11 to 22 June 2007, New York)

Day/Date	*Time*	*Item*	*Subject*
Monday, 11 June	10:00 a.m. - 1:00 p.m.	1	ORGANIZATIONAL MATTERS - Adoption of the agenda and work plan for the session - Adoption of the report of the first regular session 2007
			UNFPA SEGMENT
			STATEMENT BY THE EXECUTIVE DIRECTOR
		13	ANNUAL REPORT OF THE EXECUTIVE DIRECTOR - Report of the Executive Director: the multi-year funding framework cumulative report, 2004-2007 - Statistical overview 2006 - Joint UNDP/UNFPA report on the recommendations of the Joint Inspection Unit in 2006
	3 - 6 p.m.	13	ANNUAL REPORT OF THE EXECUTIVE DIRECTOR (cont'd)
		14	FUNDING COMMITMENTS TO UNFPA - Report on funding commitments to UNFPA
Tuesday, 12 June	10:00 a.m. - 12:00 p.m.	16	FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS - Report on a review of the indirect cost-recovery policy
	12:00 to 1:00 pm		*Informal consultations on draft decisions*
	3 - 6 pm		**UNFPA STRATEGIC PLAN AND RELATED ITEMS**
Wednesday, 13 June	10:00 a.m. - 12:00 p.m.		**JOINT UNDP/UNFPA SEGMENT**
		17	INTERNAL AUDIT AND OVERSIGHT - Reports of UNDP, UNFPA and UNOPS on internal audit and oversight, including the management response
	12:00 to 1:00 pm		*Informal consultations on draft decisions*
	3 - 6 p.m.		**UNFPA INFORMAL CONSULTATIONS**
Thursday, 14 June	10:00 a.m. - 1:00 p.m.		**JOINT UNDP/UNFPA SEGMENT (cont'd)**
		7, 15	UNDP AND UNFPA COUNTRY PROGRAMMES AND RELATED MATTERS - Draft country programme documents - Extensions of country programmes
	3 - 6 p.m.	7, 15	UNDP AND UNFPA COUNTRY PROGRAMMES AND RELATED MATTERS (cont'd) - Draft country programme documents - Extensions of country programmes
Friday, 15 June	10:00 a.m. - 1:00 p.m.		FOLLOW-UP TO UNAIDS PROGRAMME COORDINATING BOARD MEETING - Oral report on the implementation of the decisions and recommendations of the Programme Coordinating Board of the Joint United Nations Programme on HIV/AIDS
		18	FIELD VISITS - Reports on field visits
		19	OTHER MATTERS - Adoption of pending decisions (UNFPA and joint UNDP/UNFPA items) - Adoption of the tentative work plan for the second regular session 2007 for the UNFPA and the joint UNDP/UNFPA segment - Closing of the UNFPA segment

	3 - 6 p.m.		*To be determined*
Monday, 18 June	10:00 a.m. - 1:00 p.m.		**UNDP SEGMENT** STATEMENT BY THE ADMINISTRATOR
	3 - 6 p.m.		UNDP special event
Tuesday, 19 June	10:00 am - 1:00 pm	2	ANNUAL REPORT OF THE ADMINISTRATOR - Multi-year funding framework cumulative report, 2004-2007 - Joint UNDP/UNFPA report on the recommendations of the Joint Inspection Unit in 2006 - Statistical annex
		3	FUNDING COMMITMENTS TO UNDP - Status of regular funding commitments to UNDP
	3 - 6 pm	4	UNDP STRATEGIC PLAN, 2008-2011 - Draft UNDP strategic plan, 2008-2011
Wednesday, 20 June	10:00 am - 12:00 pm	5	EVALUATION - Annual report of the Administrator on evaluation - Evaluations of regional programmes for Africa, Asia and the Pacific, and Latin America and the Caribbean
	12:00 to 1:00 pm		*Informal consultations on draft decisions*
	3:00 to 6:00 pm	6	HUMAN DEVELOPMENT REPORT
		8	SOUTH-SOUTH COOPERATION - Progress report in implementing the third cooperation framework for South-South cooperation
Thursday, 21 June	10:00 am - 1:00 pm	9	UNITED NATIONS OFFICE FOR PROJECT SERVICES - Annual report of the Executive Director
		10	UNITED NATIONS CAPITAL DEVELOPMENT FUND - Results-oriented annual report
	3 - 6 pm	11	UNITED NATIONS DEVELOPMENT FUND FOR WOMEN - UNIFEM multi-year funding framework cumulative report, 2004-2007
		12	FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS - Report on the assessment of the cost recovery policy effectiveness
Friday, 22 June	10:00 am - 1:00 pm	19	OTHER MATTERS - Adoption of UNDP pending decisions
		1	ORGANIZATIONAL MATTERS - Adoption of the tentative work plan for the second regular session 2007 for the UNDP segment